

VILLAGE OF BELLEDUNE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2009

VILLAGE OF BELLEDUNE

INDEX

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FOR THE YEAR ENDED DECEMBER 31, 2009

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Allen, Paquet & Arseneau LLP

Chartered Accountants • Comptables agréés CA[®]

TELEPHONE: (506) 546-1460

FAX: (506) 546-9950

www.apa-ca.com

Partners / Associés
David L. Allen, C.A.
Yves Arseneau, C.A.
Tony Babin, C.A.

Associates / Collègues
Alain Pitre, C.G.A.
Lise Boudreau
Danny Lavallée
René Limoges, C.G.A.

270, av. Douglas Ave, Suite 200
C.P. / P.O. Box 482
Bathurst, N.B.
E2A 3Z4

1.

AUDITORS' REPORT

His Worship the Mayor and Members of Council of
Village of Belledune

We have audited the General Funds, Water and Sewer Utility Funds and Reserve Funds balance sheets of the Village of Belledune as at December 31, 2009 and the statements of revenue and expenditures and of source and application of capital financing for the year then ended. These financial statements are the responsibility of the Village Council. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Council, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2009 and the results of its operations and the source and application of its capital financing for the year then ended in accordance with Canadian generally accepted accounting principles.

Bathurst, NB

April 15, 2010


Chartered Accountants

270, av. Douglas Ave
C.P. / P.O. Box 482
Bathurst, NB E2A 3Z4

207, rue Roseberry Street
C.P. / P.O. Box 519
Campbellton, NB E3N 3G9

356, rue Canada Street
St-Quentin, NB
E8A 1H7

121, rue Jail Street
C.P. / P.O. Box 87
Miramichi, NB E1V 3M2

VILLAGE OF BELLEDUNEGeneral Capital FundBalance SheetAs at December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
<u>Current Assets</u>		
Due From General Operating Fund	\$ -	\$ 16,656
<u>Capital Assets (Page 3)</u>	<u>12,206,814</u>	<u>11,454,927</u>
<u>Total Assets</u>	<u>\$12,206,814</u>	<u>\$11,471,583</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Received in Advance - Gas Tax Refund	\$ -	\$ 16,656
<u>Long Term Debt (Note 2)</u>	<u>3,286,000</u>	<u>3,614,000</u>
<u>Total Liabilities</u>	3,286,000	3,630,656
<u>Investments in Capital Assets</u>		
Balance, End of Year (Page 5)	<u>8,920,814</u>	<u>7,840,927</u>
	<u>\$12,206,814</u>	<u>\$11,471,583</u>

On Behalf of the Council_____
Mayor_____
Clerk

Allen, Paquet & Arseneau LLP

Chartered Accountants • Comptables agréés CA^{7*}

VILLAGE OF BELLEDUNE

General Capital Fund

Statement of Capital Assets

As at December 31, 2009

	<u>Land and Paving</u>	<u>Building</u>	<u>Engineering Structures</u>	<u>Machinery and Equipment</u>	<u>Total</u>
<u>General Government</u>					
Municipal Building	\$ 409,369	\$ 895,925	\$ -	\$ 238,924	\$ 1,544,218
<u>Protective Services</u>					
Fire Department	-	-	-	761,205	761,205
Fire Department - Jacquet River	8,509	238,346	-	269,904	516,759
<u>Transportation Services</u>					
Sidewalk	-	-	433,563	-	433,563
Tractor	-	-	-	43,052	43,052
Streets and Roads	-	-	5,322,950	-	5,322,950
Garbage and Waste Removal	-	-	-	400,722	400,722
Vehicle	-	-	-	180,580	180,580
<u>Industrial Park</u>	238,247	-	500,214	-	738,461
<u>Recreation and Cultural</u>					
Playground	-	-	-	262,802	262,802
Tennis Court	-	-	58,685	-	58,685
Recreational Building	63,582	747,360	-	88,393	899,335
Arena	-	1,044,482	-	-	1,044,482
	<u>\$ 719,707</u>	<u>\$ 2,926,113</u>	<u>\$ 6,315,412</u>	<u>\$ 2,245,582</u>	<u>\$ 12,206,814</u>

VILLAGE OF BELLEDUNEGeneral Capital FundStatement of Source and Application of Capital FinancingFor The Year Ended December 31, 2009

<u>Source</u>	<u>2009</u>	<u>2008</u>
<u>Transfers From</u>		
General Operating Fund		
- Capital Expenditures	437,093	462,256
- Debt Repayment	328,000	468,000
Gas Tax Refund	173,397	218,457
Regional Development Grant	<u>-</u>	<u>500,000</u>
	<u>\$ 938,490</u>	<u>\$ 1,648,713</u>
<u>Application</u>		
<u>Debt Repayment</u>	\$ 328,000	\$ 468,000
<u>Capital Expenditures</u>	<u>610,490</u>	<u>1,180,713</u>
	<u>\$ 938,490</u>	<u>\$ 1,648,713</u>

VILLAGE OF BELLEDUNEGeneral Capital FundStatement of Investment in Capital AssetsFor The Year Ended December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Balance, Beginning of Year</u>	\$ <u>7,840,927</u>	\$ <u>6,209,343</u>
<u>Add:</u>		
Contribution From General Operating Fund		
- Capital Expenditures	610,490	462,256
- Debt Repayment	328,000	468,000
Gas Tax Refund	173,397	218,457
Regional Development Corporation Grant	<u>-</u>	<u>500,000</u>
	<u>1,111,887</u>	<u>1,648,713</u>
<u>Less:</u>		
Sale of Capital Assets	<u>32,000</u>	<u>17,129</u>
<u>Balance, End of Year</u>	\$ <u>8,920,814</u>	\$ <u>7,840,927</u>

VILLAGE OF BELLEDUNEGeneral Operating FundBalance SheetAs at December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash	\$ 102,590	\$ 661,801
Accounts Receivable	266,923	115,471
Due From General Capital Reserve Fund	<u>242,018</u>	<u>-</u>
	611,531	777,272
<u>Deposit in Trust</u>	<u>165,000</u>	<u>165,000</u>
	<u>\$ 776,531</u>	<u>\$ 942,272</u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable and Accrued Liabilities	\$ 605,681	\$ 503,234
Due to General Capital Fund	-	16,656
Due to Utility Reserve Fund	8	-
Due to General Capital Reserve Fund	<u>-</u>	<u>235,000</u>
	605,689	754,890
<u>Trust Liability, prepaid lawsuit settlement</u>	<u>165,000</u>	<u>165,000</u>
	<u>770,689</u>	<u>919,890</u>
<u>Surplus</u>		
Balance, Beginning of Year	22,382	54,838
<u>Add: Transfer of Second Prior Year's Surplus (Deficit)</u>	<u>(8,317)</u>	<u>(46,520)</u>
Surplus (Deficit) For The Year (Page 7)	<u>(8,223)</u>	<u>14,064</u>
Balance, End of Year	<u>5,842</u>	<u>22,382</u>
	<u>\$ 776,531</u>	<u>\$ 942,272</u>

Contingent Liabilities (Note 7)On Behalf of the Council

_____ Mayor

_____ Clerk

Allen, Paquet & Arseneau LLP

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VILLAGE OF BELLEDUNEGeneral Operating FundStatement of Revenue and ExpendituresFor The Year Ended December 31, 2009

	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>
<u>Revenue</u>			
Province of New Brunswick			
Warrant of Assessment	\$ 3,865,679	\$ 3,865,679	\$ 3,774,552
Unconditional Transfer	43,596	43,596	46,109
Other - Fire (to LSD)	16,480	16,480	16,480
- Ambulance (to LSD)	-	-	7,898
Other - Community Centre	7,000	7,900	10,400
Brunswick Smelting Garbage	26,937	26,937	26,337
Other Conditional Grants	8,000	14,554	46,152
Other Revenue	12,000	14,103	14,763
Sale of Services	28,700	39,817	38,826
Transfer from General Capital Reserve	-	245,000	-
Surplus - Second Previous Year	8,318	8,317	46,520
Arena	40,000	47,096	43,901
Proceeds from Disposal of Capital Assets	-	30,746	1,850
Interest	<u>10,000</u>	<u>1,108</u>	<u>15,088</u>
	<u>4,066,710</u>	<u>4,361,333</u>	<u>4,088,876</u>
<u>Expenditures</u>			
General Government (Page 8)	777,948	748,372	607,790
Protective Services (Page 9)	720,600	706,055	662,117
Transportation (Page 9)	1,037,500	999,563	664,265
Environmental Health (Page 10)	163,000	148,612	160,061
Environmental Development (Page 10)	494,000	329,181	333,855
Recreation and Cultural (Page 10)	337,100	326,372	289,573
Fiscal Services (Page 10)	<u>536,562</u>	<u>1,111,401</u>	<u>1,357,151</u>
	<u>4,066,710</u>	<u>4,369,556</u>	<u>4,074,812</u>
<u>Surplus (Deficit) For The Year - to Page 6</u>	<u>\$ -</u>	<u>\$ (8,223)</u>	<u>\$ 14,064</u>

VILLAGE OF BELLEDUNE

General Operating Fund

Supplementary Schedule of Expenditure Accounts

For The Year Ended December 31, 2009

	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>
<u>General Government</u>			
<u>Legislative</u>			
Mayor	\$ 18,500	\$ 17,201	\$ 18,469
Councilors	<u>54,000</u>	<u>48,295</u>	<u>44,563</u>
	<u>72,500</u>	<u>65,496</u>	<u>63,032</u>
<u>Administrative</u>			
Administrator	183,000	151,587	84,887
Administrative Assistant	65,000	64,767	59,644
Municipal Works	66,000	62,928	60,233
Office Building	93,000	98,133	89,617
Solicitor	20,000	6,533	12,306
Public Liability Insurance	45,000	42,006	42,906
Other Administrative	<u>45,500</u>	<u>41,269</u>	<u>41,935</u>
	<u>517,500</u>	<u>467,223</u>	<u>391,528</u>
<u>Financial Management</u>			
External Audit	<u>17,000</u>	<u>9,826</u>	<u>16,119</u>
<u>Other</u>			
Cost of Assessment	70,948	70,948	69,302
Conventions and Delegations	7,500	4,804	3,651
Development Seminars	10,000	2,004	13,223
Grants and Sundry	48,500	95,942	29,142
Civic Relations - Promotions	20,000	24,336	12,955
Training and Development	<u>14,000</u>	<u>7,793</u>	<u>8,838</u>
	<u>170,948</u>	<u>205,827</u>	<u>137,111</u>
	<u>\$ 777,948</u>	<u>\$ 748,372</u>	<u>\$ 607,790</u>

VILLAGE OF BELLEDUNE

General Operating Fund

Supplementary Schedule of Expenditure Accounts

For The Year Ended December 31, 2009

	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>
<u>Protective Services</u>			
Police	\$ 506,000	\$ 506,000	\$ 488,065
Ambulance	-	-	322
Fire Protection			
Administration	6,360	6,316	6,307
Personnel	30,000	28,725	25,757
Dispatcher	26,000	25,111	23,084
Water Cost	15,640	15,640	15,301
Training	14,600	14,914	15,228
Fire Station and Building	75,000	68,352	66,936
Equipment	25,000	25,438	8,883
Other	15,000	9,224	6,084
	<u>207,600</u>	<u>193,720</u>	<u>167,580</u>
Animal Control	7,000	6,335	6,150
	<u>\$ 720,600</u>	<u>\$ 706,055</u>	<u>\$ 662,117</u>
<u>Transportation</u>			
Roads and Streets			
Personnel	\$ 63,000	\$ 72,727	\$ 57,594
Engineering and Planning	80,000	210,740	84,843
Summer Maintenance	109,000	84,838	73,247
Culverts and Ditches	250,000	110,504	37,594
Snow Removal	235,000	226,125	189,922
Roads and Streets	170,000	188,371	97,957
Land Purchases/Leases	8,000	4,698	-
Street Cleaning	10,500	6,343	10,659
	<u>925,500</u>	<u>904,346</u>	<u>551,816</u>
Street Lighting	87,000	91,146	83,423
Traffic Services			
Signals	7,000	1,964	28,849
Street Signs	2,000	2,107	177
Rail Upgrades	16,000	-	-
	<u>25,000</u>	<u>4,071</u>	<u>29,026</u>
	<u>\$ 1,037,500</u>	<u>\$ 999,563</u>	<u>\$ 664,265</u>

Allen, Paquet & Arseneau LLP

Chartered Accountants • Comptables agréés CA¹

VILLAGE OF BELLEDUNE

General Operating Fund

Supplementary Schedule of Expenditure Accounts

For The Year Ended December 31, 2009

	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>
<u>Environmental Health</u>			
Garbage Waste Collection	\$ 128,000	\$ 118,368	\$ 127,778
Dump Maintenance	<u>35,000</u>	<u>30,244</u>	<u>32,283</u>
	<u>\$ 163,000</u>	<u>\$ 148,612</u>	<u>\$ 160,061</u>
<u>Environmental Development</u>			
Planning Commissions	\$ 80,500	\$ 79,976	\$ 75,989
Industrial Parks and Commission	10,000	9,021	10,668
Promotion, Tourism	75,000	57,306	65,857
Public Receptions	6,000	4,585	3,083
Research and Planning	75,000	32,452	50,408
Land Rehabilitation	-	-	5,583
Community Improvements	47,500	10,586	38,464
Economic Development	145,000	83,586	28,927
Conservation	<u>55,000</u>	<u>51,669</u>	<u>54,876</u>
	<u>\$ 494,000</u>	<u>\$ 329,181</u>	<u>\$ 333,855</u>
<u>Recreation and Cultural</u>			
Community Centre and Hall	\$ 60,000	\$ 49,877	\$ 46,644
Skating Rinks and Arenas	153,000	148,175	139,797
Parks and Playgrounds	49,500	46,312	37,018
Library	6,100	6,214	5,708
DNR Building	15,000	5,276	-
Bus Service	10,500	25,047	13,787
Festivals and Fairs	38,000	34,517	40,773
Wharf	<u>5,000</u>	<u>10,954</u>	<u>5,846</u>
	<u>\$ 337,100</u>	<u>\$ 326,372</u>	<u>\$ 289,573</u>
<u>Fiscal Services</u>			
Debt Repayment	\$ 328,000	\$ 328,000	\$ 468,000
Interest on Long Term Debt	173,791	170,694	190,217
Bank Charges	2,000	2,217	1,678
Transfer to General Reserve Fund	32,771	-	235,000
Capital Expenditures			
- General Capital Fund	<u>-</u>	<u>610,490</u>	<u>462,256</u>
	<u>\$ 536,562</u>	<u>\$ 1,111,401</u>	<u>\$ 1,357,151</u>

Allen, Paquet & Arseneau LLP

Chartered Accountants • Comptables agréés CA¹*

VILLAGE OF BELLEDUNEWater and Sewer Utility Capital FundBalance SheetAs at December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
<u>Capital Assets (Page 12)</u>	\$ <u>562,807</u>	\$ <u>562,807</u>
<u>Liabilities</u>		
<u>Long Term Debt (Note 3)</u>	\$ <u>153,000</u>	\$ <u>169,000</u>
<u>Investment in Capital Assets</u>		
Balance, Beginning of Year	393,807	378,807
<u>Add: Debt Repayment From</u>		
Water and Sewer Utility Operating Fund	<u>16,000</u>	<u>15,000</u>
Balance, End of Year	<u>409,807</u>	<u>393,807</u>
	\$ <u>562,807</u>	\$ <u>562,807</u>

On Behalf of the Council

_____ Mayor

_____ Clerk

Allen, Paquet & Arseneau LLP

Chartered Accountants • Comptables agréés CA

VILLAGE OF BELLEDUNE

Water and Sewer Utility Capital Fund

Statement of Capital Assets

For The Year Ended December 31, 2009

Water Project

Engineering
Structures

\$ 562,807

VILLAGE OF BELLEDUNEWater and Sewer Utility Capital FundStatement of Source and Application of Capital FinancingFor The Year Ended December 31, 2009

<u>Source</u>	<u>2009</u>	<u>2008</u>
<u>Transfers From</u>		
Water and Sewer Utility Operating Fund		
- Debt Repayment	\$ <u>16,000</u>	\$ <u>15,000</u>
<u>Application</u>		
<u>Debt Repayment</u>	\$ <u>16,000</u>	\$ <u>15,000</u>

VILLAGE OF BELLEDUNEWater and Sewer Utility Operating FundBalance SheetAs at December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
<u>Current Asset</u>		
Cash	\$ <u>1,284</u>	\$ <u>1,334</u>
<u>Total Asset</u>	\$ <u><u>1,284</u></u>	\$ <u><u>1,334</u></u>
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts Payable	\$ <u>752</u>	\$ <u>826</u>
<u>Surplus</u>		
Balance, Beginning of Year	508	385
<u>Add:</u> Surplus For The Year (Page 15)	212	319
<u>Less:</u> Transfer of Second Prior Year's Surplus	(<u>188</u>)	(<u>196</u>)
Balance, End of Year	<u>532</u>	<u>508</u>
	\$ <u><u>1,284</u></u>	\$ <u><u>1,334</u></u>

On Behalf of the Council

_____ Mayor

_____ Clerk

Allen, Paquet & Arseneau LLP

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VILLAGE OF BELLEDUNEWater and Sewer Utility Operating FundStatement of Revenue and ExpendituresFor The Year Ended December 31, 2009

	<u>2009</u> <u>Budget</u>	<u>2009</u> <u>Actual</u>	<u>2008</u> <u>Actual</u>
<u>Revenue</u>			
Sale of Water	\$ 8,232	\$ 8,232	\$ 8,239
Water Supply For Fire Protection	15,640	15,640	15,301
Interest Income	-	-	119
Surplus, Second Previous Year	<u>189</u>	<u>188</u>	<u>196</u>
	<u>24,061</u>	<u>24,060</u>	<u>23,855</u>
<u>Expenditures</u>			
Administration and General	189	-	-
Debt Repayment	16,000	16,000	15,000
Interest on Long Term Debt	7,872	7,797	8,469
Bank Charges	<u>-</u>	<u>51</u>	<u>67</u>
	<u>24,061</u>	<u>23,848</u>	<u>23,536</u>
<u>Surplus For The Year - to Page 14</u>	<u>\$ -</u>	<u>\$ 212</u>	<u>\$ 319</u>

VILLAGE OF BELLEDUNEReserve FundsBalance SheetAs at December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>Assets</u>		
<u>General Capital</u>		
Cash and Short Term Investment	\$ 1,376,201	\$ 1,140,761
Due from General Operating Fund	<u>-</u>	<u>235,000</u>
	<u>1,376,201</u>	<u>1,375,761</u>
<u>Utility Capital</u>		
Cash	2,849	2,851
Due from General Operating Fund	<u>8</u>	<u>-</u>
	<u>2,857</u>	<u>2,851</u>
<u>Total Assets</u>	<u>\$1,379,058</u>	<u>\$1,378,612</u>
<u>Liabilities</u>		
<u>General Capital</u>		
Due to General Operating Fund	\$ <u>242,018</u>	\$ <u>-</u>
<u>Equity</u>		
<u>General Capital (Page 17)</u>	1,134,183	1,375,761
<u>Utility Capital (Page 17)</u>	<u>2,857</u>	<u>2,851</u>
	<u>1,137,040</u>	<u>1,378,612</u>
<u>Total Liabilities and Equity</u>	<u>\$1,379,058</u>	<u>\$1,378,612</u>

On Behalf of the Council

_____ Mayor

_____ Clerk

VILLAGE OF BELLEDUNEReserve FundsStatements of EquityFor The Year Ended December 31, 2009

	<u>2009</u>	<u>2008</u>
<u>General Capital</u>		
Balance, Beginning of Year	\$1,375,761	\$1,119,131
<u>Add: Interest Earned</u>	3,422	21,630
Transfer From General Operating Fund	<u>-</u>	<u>235,000</u>
	1,379,183	1,375,761
<u>Less: Transfer to General Operating Fund</u>	<u>245,000</u>	<u>-</u>
Balance, End of Year - to Page 16	<u>\$1,134,183</u>	<u>\$1,375,761</u>
 <u>Utility Capital</u>		
Balance, Beginning of Year	\$ 2,851	\$ 2,788
<u>Add: Interest Earned</u>	<u>6</u>	<u>63</u>
Balance, End of Year - to Page 16	<u>\$ 2,857</u>	<u>\$ 2,851</u>

VILLAGE OF BELLEDUNENotes To The Financial StatementsFor The Year Ended December 31, 20091. Significant Accounting Policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for New Brunswick municipalities by the Department of Environment and Local Government Services.

a. Revenue Recognition

Major sources of revenue are recorded on an accrual basis.

b. Expenditures Recognition

Expenditures are recorded on an accrual basis. Outstanding commitments for goods and services relating to the current year are accrued at the balance sheet date.

Principal repayments of long term debt are recorded as an expense when paid. Interest on long term debt is recorded on the accrual basis.

c. Capital Assets

Capital assets and projects in progress are recorded at cost. The Municipality does not record depreciation on its capital assets. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness are treated as additions to investment in capital assets.

d. Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

VILLAGE OF BELLEDUNE

Notes To The Financial Statements

For The Year Ended December 31, 2009

<u>2. General Capital Fund - Long Term Debt</u>	<u>2009</u>	<u>2008</u>
2004 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 3.5% to 5.50%, principal payable annually and interest semi annually, maturing July 8, 2014. O.I.C. # AQ-21	\$ 582,000	\$ 627,000
2000 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 6.00% to 6.125%, principal payable annually and interest semi annually, maturing in 2010. O.I.C. # AJ-36	32,000	62,000
2002 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.40% to 5.60%, principal payable annually and interest semi annually, maturing in 2012, renewable to the year 2017. O.I.C. # AN-30	451,000	504,000
2002 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.875% to 5.75%, principal payable annually and interest semi annually, maturing in 2012, renewable to the year 2017. O.I.C. # AM-27	191,000	219,000
2005 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 2.85% to 4.35%, principal payable annually and interest semi annually, maturing in 2015, renewable to the year 2020. O.I.C. # AS-20	618,000	663,000
2006 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.15% to 4.45%, principal payable annually and interest semi annually, maturing in 2016, renewable to the year 2021. O.I.C. # AV-38	786,000	841,000
2007 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.45% to 4.85%, principal payable annually and interest semi annually, maturing in 2017, renewable to the year 2022. O.I.C. # AX-36	<u>626,000</u>	<u>698,000</u>
	<u>\$ 3,286,000</u>	<u>\$ 3,614,000</u>

Approval of the Municipal Capital Borrowing Board has been obtained for the above long term debt.

VILLAGE OF BELLEDUNENotes To The Financial StatementsFor The Year Ended December 31, 20092. General Capital Fund - Long Term Debt (Cont'd)

Principal payments are due as follows for the next five years:

2010	\$ 342,000
2011	325,000
2012	713,000
2013	242,000
2014	<u>576,000</u>
	<u>\$ 2,198,000</u>

3. Water and Sewer Utility Capital Fund - Long Term Debt20092008Debentures - N.B. Municipal Finance

2007 - New Brunswick Municipal Finance Corporation, debentures, variable interest rate from 4.45% to 4.85%, principal payable annually and interest semi annually, maturing in 2017, renewable to the year 2022. O.I.C. # AX-37

\$ 153,000\$ 169,000

Approval of the Municipal Capital Borrowing Board has been obtained for the above long term debt.

Principal payments are due as follows for the next five years:

2010	\$ 16,000
2011	17,000
2012	18,000
2013	19,000
2014	<u>20,000</u>
	<u>\$ 90,000</u>

VILLAGE OF BELLEDUNE

Notes To The Financial Statements

For The Year Ended December 31, 2009

4. Inter-Fund Accounts

In accordance with regulations of the Department of Local Government Services, the Village has adopted the policy of clearing all inter-fund account balances at least annually. The Village is in compliance with this requirement for the current year.

5. Water and Sewer Utility Fund Surplus

The Municipalities Act requires Utility Fund Surplus amounts to be absorbed into one or more of three operating budgets commencing with the second following year, the balance of the Surplus at the end of the year consists of:

2009 Surplus	\$ 212	\$ -
2008 Surplus	320	319
2007 Surplus	<u>-</u>	<u>189</u>
	<u>\$ 532</u>	<u>\$ 508</u>

6. Short Term Borrowing - General Capital Fund

The Municipality has no outstanding authority for short term borrowing.

7. Contingent Liabilities

The Village has guaranteed in part a loan of the Nepisiguit Chaleur Solid Waste Commission. The loan is guaranteed by five other municipalities.

The Village of Belledune is contingently liable in an undetermined amount with respect to a legal action commenced against the Village. The probability of loss, if any, with respect to this matter can not be determined as of the date of the release of these financial statements.

VILLAGE OF BELLEDUNENotes To The Financial StatementsFor The Year Ended December 31, 20098. Financial Instrumentsa. Credit Risk

The Municipality is exposed to normal credit risk on the accounts receivable.

b. Fair Values

The carrying amount of current assets and current liabilities approximates their fair value to the short term maturities of these items.

The Municipality's long term debt is carried at an amount which approximates the fair value as the outstanding interest rates are close to or at market rates.

9. Comparative Figures

Certain of the prior year comparative figures have been restated to conform with the presentation adopted for the current year.

10. Subsequent Event

Subsequent to the year end, Xstrata Inc. agreed to forgive an accounts payable of \$76,000 relating to the upgrade of water and sewer facilities on Chaleur Drive. Xstrata Inc. has agreed to allow the Council to place these funds in a trust account to offset future operating and maintenance costs of the upgraded water and sewer facilities on Chaleur Drive.